

Saimaa University of Applied Sciences
Business and Culture, Imatra
Faculty of Tourism and Hospitality
Degree Programme in Tourism

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Implementation of Service Differentiation to Achieve Competitive Advantage. Case: Nevsky Hotel Grand

Bachelor's Thesis 2013

Abstract

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The main purpose of the thesis was to find out which hotel services could bring competitive advantage to the Nevsky Hotel Grand and differentiate the hotel from the competitors. What could be improved in the services of the hotel or which kind of services could be created in the hotel in order to attract more customers and be competitive on the market.

The theoretical framework of the thesis was based on the data gathered from various sources of information in printed and electronic form such as theoretical books, electronic publications, hotels' and other companies' websites. In order to achieve aims of the research, desk study was used as an approach to carry out the research. Desk study comprised an analysis of the hotel's competitors and their services. In addition to competitor analysis, social media analysis was carried out. Customers' feedbacks, opinions and posts about the hotel and its services on different social media websites were analyzed.

Results of the research show possible solutions for changes or improvements which can be made concerning the hotel services. Several suggestions for improvement were made concerning the breakfast - one of the biggest advantages of the hotel. Breakfast menu has to be changed and not repeated daily. Dishes have to be replaced on time during the breakfast. At the same time service of the staff has to be more efficient. Recommendations for improvement of the restaurant were made as well. Dinner in traditional Russian style can be offered to the guests of the hotel. Several very significant services like baby cot, public computer, drinking water in coolers on each floor have to be mentioned on the hotel's website. Based on the research, these services are of great importance for the hotel guests and could be used to achieve service differentiation. According to the research findings, room services also have to be improved. Nevsky Hotel Grand has to invest in mini-refrigerators. Bathrobes and slippers should be provided in all rooms. Based on the research, diversified payment methods, lift, security services and luggage room are advantages of the hotel. Nevsky Hotel Grand has to focus on them in order to be differentiated. Suggestions about new services which could bring competitive advantage to the hotel were made as well. They included the following services: audio guide about Saint-Petersburg, guest umbrellas, ATM. The results of the study could be used for further successful development of the hotel services.

Key words: Accommodation, Hotel, Service, Differentiation

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Appendix 1 Competitor analysis form

1 Introduction

Topic of this thesis is "Implementation of service differentiation to achieve competitive advantage. Case: Nevsky Hotel Grand". Relevance of the topic can be justified by the fact that nowadays competition in the hotel industry is growing every day. Thousands of hotels and hotel chains all over the world try to develop their brands and launch product and service strategies in order to find out the competitive advantages and in attempt to satisfy the needs of the customers. To achieve these aims, a lot of hotel management activities are aimed at developing and improving the scope of additional services offered at the hotel.

The purpose of the thesis is to find out which hotel services can bring competitive advantage to the Nevsky Hotel Grand and differentiate it from the competitors. In order to reach the goal of the thesis, an analysis of hotel's competitors and their services is made. In addition, a social media analysis is carried out. Customers' feedbacks, opinions and posts about the case hotel and its services are analyzed on various social media websites. In connection with the growing competition on the hotel market of Saint-Petersburg, results of the research can have a practical value to the Nevsky Hotel Grand.

1.1 Justifications for researching the topic

Although the main purpose of a hotel is to provide its guests with accommodation facilities, the services offered by the hotel can play a decisive role when a customer chooses a place to stay at. It is also very important for the hotel to be differentiated from the competitors in today's highly competitive market.

Nevsky Hotel Grand has 129 rooms. Considering such a large number of rooms, the hotel provides quite a limited range of additional or extra services. The hotel has only a restaurant and a small meeting room. The author has been working in Nevsky Hotel Grand and is quite familiar with the services offered by the hotel. That is why it was chosen as the case hotel.

According to Porter (1998), differentiation is a strategy that a company employs when it attempts to become unique and different from other companies which produce a similar product or service, in the attributes significant for the consumer. That means making the product distinct from those of the competitors, so that supply meets demand.

The challenge to the marketer is to make the product unique and show the customer that this particular product or service is of high utility, has better price value, better quality, and can become a better problem solution. As Porter (1998, p. 263) states, "differentiation can be based on the product itself, the delivery system by which it is sold, the marketing approach and a broad range of other factors".

1.2 Aims and delimitations of the research

The main aim of the thesis is to find out which hotel services can bring competitive advantage to the Nevsky Hotel Grand and differentiate the hotel from its brand competitors. What can be improved in the services of the hotel or which kind of services can be created in the hotel in order to attract more customers and be competitive on the market.

To achieve this aim a number of actions can be identified:

- To study the competitors of the hotel, and what services and facilities they are offering to the guests.
- To study the opinions of the hotel's guests in social media: Does the hotel provide enough services at the moment? What other services can be offered for the guests? How can the services be differentiated?

Since the foundation of the hotel in 2004, the number of rooms has increased from 17 to 129. During these eight years a restaurant and a small meeting room were built to offer guests important additional services. (Nevsky Hotels Group 2012.) But as it was mentioned earlier, the number of services currently provided by the hotel does not seem to be enough in relation to such a large number of rooms.

Differentiation in the hospitality market is the key to sustaining long-term business growth and success. The hotel could attract more customers by providing more versatile services for the guests and service differentiation can help to solve the problem.

According to Rama Mohana Rao (2011, p. 236) "service differentiation means providing meaningful changes in a service offer, which add value to the service from the customer's perspective". Service differentiation is capable of generating quality perceptions distinct from competitive offers. Service differentiation can help companies to offer a delightful experience and get closer to the customers. In many cases, it is extremely difficult to identify features that differentiate a product from all the similar ones on the market. So, it is difficult to make a service offering stand out from the crowd. Challenging and critical tasks for the company are endearing the service to the customers and motivating them to choose the service instead of the competition.

1.3 Research methods

In order to achieve the aims of the research, desk study is used as an approach to carry out the research. Desk study comprises an analysis of the hotel's competitors and a social media analysis. Desk study or research refers to such type of research data that can be acquired and worked upon mainly by sitting at the desk. It is research of data that already exists, having been produced for some other purpose and by some other person. It is commonly referred to as secondary research because the user is the secondary user of the data. (Crouch & Housden 2003.)

In this research based thesis mainly secondary data is collected and analyzed. Secondary data means data that are already available in different sources of information (Kothari 2004). Secondary data is gathered from various electronic sources such as official statistics, electronic publications and articles, hotels' and other companies' websites.

In addition to the competitor analysis, social media analysis is carried out in the research. Customers' feedbacks, opinions and posts about the hotel and its services on different social media websites are analyzed.

Social media analysis focuses on what others (competitors, customers, potential customers, competitors' customers, etc.) are saying about an organization or their brands on various social media websites, such as Twitter, Facebook, Booking.com, Hotels.spb.ru, TripAdvisor, Expedia, Tophotels.ru, Hon.ru, Otzyv.ru and Spb.tulp.ru. Companies want to know what their customers or potential customers are saying about them and their competitors, and social media offers the fastest, and arguably the most accurate, method to discover who hates, who likes, and who loves the company but despises the product. Is a recent change in service delivery models having an impact on customers' opinions of the brand? Is that impact caused by the change, or something else? A company can get answers to these and many other questions. (Hamby 2012.)

1.4 Context of the thesis

Second chapter of the thesis is concentrated on the specific characteristics of the services. Services are different from the physical products in a number of features and need to be treated differently. These characteristics also explain why it is necessary to use different approaches to manage brands in the hotel industry.

Concept of service differentiation is presented in the third chapter of the thesis. Special attention is paid to differentiation in hospitality. Various ways to achieve differentiation in hospitality are mentioned in this theoretical part. As the topic of the thesis is "Implementation of service differentiation to achieve competitive advantage" and mainly hotel's services are studied and compared in the empirical part, attention is more focused on such ways as using complementary services and service innovations.

In the fourth chapter attention is paid to the different types of competitors. It helps to understand which types of competitors exist, and why brand

competitors are chosen for the competitor analysis in the empirical part of the thesis. Brand competitors are the most significant because buyers typically see the different products of these companies as direct substitutes for one another.

Chapter five of the thesis is devoted to the introduction of the hotel market of Saint-Petersburg, special attention is paid to the sector of mini-hotels as the thesis research is carried out on the basis of the operation of the Nevsky Hotel Grand, which refers specifically to this sector.

The empirical part of the thesis starts with the sixth chapter, where the information about the Nevsky Hotel Grand is presented.

Chapter seven is concentrated on the competitor analysis and social media analysis. How they were carried out and their results.

In the conclusion results of the both analyses are presented and possible solutions for service changes and improvement are made. Suggestions for creating new services are proposed as well.

2 Characteristics of hotel services

Services as well as the hotel services are characterized by a number of attributes or features that make them different from physical products. These characteristics explain why services need to be treated differently from manufactured or physical products, and they justify the necessity of different approaches to managing brands in the hotel industry.

First, services are intangible. Services are performances rather than objects. They cannot be touched or seen in the same way as goods. They are rather experienced and judged by consumers. (Hoffman & Bateson 2011.)

Nevertheless hotel services have tangible components, such as the hotel building and rooms. While tangible components only satisfy basic needs, the intangible ones provide further and more extensive benefits. (Jones & Lockwood 2004.)

In contrast to physical goods, it is more difficult to evaluate the quality of a hotel service. Even though it is possible to inspect the tangible elements of a hotel, the intangible ones cannot be evaluated in advance. Guests can easily check the hotel building, rooms and other facilities on the Internet or in brochures and catalogues. They can even visit the hotel to get a personal impression. But in many cases they are not able to do it because of the distance to the destination. However, it is impossible to estimate if the customers' expectations will be satisfied. Only with the actual visit of the hotel and usage of its services customers can make a reliable assessment of the hotel services. (Hoffman & Bateson 2011.)

Secondly, services are perishable. It means that services cannot be saved, unused capacity in services cannot be reserved and services cannot be inventoried (Hoffman & Bateson 2011). A hotel room which is unsold on one day cannot not be stored until a later date. It is not possible to produce hotel services beforehand, service consumption and delivery happen simultaneously. Moreover, a service is a performance which is related to time. If a hotel room has not been sold for a certain period, a possibility of getting a revenue has been lost. The same case applies to all other services provided at the hotel. If they are not used, they are gone. There is only one chance to sell them. (Jones & Lockwood 2004.)

Services are thirdly also heterogeneous. Heterogeneity refers to the potential of service performance to vary from one service transaction to the next. Services are produced by people, consequently, variability is inherent in the production process (Hoffman & Bateson 2011.)

The service given to one customer may differ from the service given to the customer in the next room. This may occur, perhaps, because one customer is attending a conference, whereas another is on a weekend break, while yet another is a private business customer. It may also be because staff favour serving one type of customer over other types. It is therefore more difficult to establish and monitor quality standards for service than for physical products. (Jones & Lockwood 2004.)

Fourthly, services are contact dependent. Unlike manufacturing where the producer and the customer may never come into contact, it is impossible for the customer to experience the hotel's services unless there is physical interaction between the two. In the same way the customer must initially make choices about which hotel to stay at prior to experiencing the hotel's facilities, unlike manufactured goods which can be described, photographed, measured and even tested before purchase. (Jones & Lockwood 2004.)

Finally, the purchase of service does not give the consumer ownership of whatever it is that has been purchased. All physical attributes necessary for the provision of accommodation and other hotel services remain the property of the hotelier. In effect, customers are hiring these facilities for the time that they are staying in the hotel. Thus the relationship between the hotelier and his customers is very different to that between the manufacturer or supplier and his customers. (Jones & Lockwood 2004.)

3 Concept of differentiation

According to Chandrasekar (2010, p. 83) "differentiation is the act of designing a meaningful difference to distinguish the company's offering from that of competitor's offerings. Differentiation strategy is built on offering customers something they value that competitors do not have".

Das Gupta (2011, p. 136) determines differentiation as "the process of distinguishing the differences of a product or service offering from others to make it more attractive to a particular target market. This involves differentiating it from competitors' products or services as well as from one's own product or service offerings".

Differentiation strategy needs to add value for the customer. The objective of differentiation is to develop a position of the company that potential customers see as unique (Das Gupta 2011). One key to successful differentiation strategy is to develop the point of differentiation from the customer's perspective rather than from the perspective of the business operation. The point of differentiation

needs to be sustainable. The challenge is to create differentiation strategies that are difficult to copy. (Chandrasekar 2010.)

There is a variety of ways to implement differentiation strategy. The successful differentiation strategy should have three characteristics. Firstly, it should generate customer value. Secondly, it should provide perceived value. And the last one, it has to be difficult to copy. (Chandrasekar 2010.)

3.1 Service differentiation

Every individual has different needs and wants. However, people do not expect hundred per cent suitability and tend to compromise on minor issues. Consumers prefer such products that closely match their needs and wants. Companies that make attempts to meet customer needs closely are likely to win the market. Service differentiation facilitates this. "Service differentiation means providing meaningful changes in service offer that add value to the customer and are capable of generating quality perceptions that distinct from competitive offers." (Chandrasekar 2010, p. 81.)

Today's economic climate ensures that all commercial organizations are striving for differentiation. No one wants to merely replicate what someone else is doing. Customers are spoilt for choice, with a lot of alternatives open to them. Choice exists everywhere today - whether it is where to buy groceries, which airline to use, which hotel - the list is endless. Therefore, differentiation ultimately filters down to service levels. A traveler can make a journey from London to New York on any number of airlines; the flight times will be similar and the destination the same. The only differentials will be the price and service. So achieving differentiation through service is becoming more and more important. (Faulkner 2003.)

According to Lamb, Hair and McDaniel (2009, p. 39) "service differentiation tends to provide a longer competitive advantage". The durability of differentiation strategy tends to make it more attractive to many top managers. "A service differentiation competitive advantage exists when a company

provides something unique that is valuable to buyers beyond simply offering a low price."

3.2 Differentiation in hospitality

Differentiation in hospitality industry can be achieved in an almost unlimited number of ways, including: product features, personnel, complementary services, technology, location, service innovations, superior service, creative advertising, better supplier relationships leading to better services, etc. Certain resources are more effective as a source of sustainable differentiation than others. Reputations and brands are difficult to imitate, whereas particular service features may be easy to imitate. In general, intangible resources such as a high-performance organizational culture are hard to imitate and are a stronger basis of competitive advantage, whereas tangible resources such as equipment and furniture in a hotel are easy to imitate. (Sturman, Corgel, Verma 2011.)

The attributes used to differentiate the company from the competitors must be important to customers. Such unique attributes can be used to build customer loyalty, which can translate into higher prices and greater profit margin. The more difficult it is to duplicate a certain attribute, the greater its benefits and the longer the company can use it as a competitive advantage. In the hospitality industry it is hard to create any innovations and there are many copycats. It is true, nevertheless, that an innovator can gain and often maintain a significant advantage by being the first to implement a concept on a broad scale. (Hsu & Powers 2002.)

4 Types of competitors

Nowadays only few firms, if any, operate free of competition. In fact, for most goods and services, customers have many alternatives from which to choose. Broadly speaking, all firms compete with one another for customers. More practically, a marketer generally defines competition as other firms that market

products which are similar to or can be substituted for its products in the same geographical area. These competitors can be classified into one of four types:

- Brand competitors market products with similar features and benefits to the same customers at similar prices.
- Product competitors compete in the same product class but market products with different features, benefits, and prices.
- Generic competitors provide very different products that solve the same problem or satisfy the same basic customer need.
- Total budget competitors compete for the limited financial resources of the same customers. (Pride & Ferrell 2010.)

Although all four types of competition can affect a firm's marketing performance, brand competitors are the most significant because buyers typically see the different products of these firms as direct substitutes for one another. Consequently, brand competitors of the Nevsky Hotel Grand will be chosen to carry out the competitor analysis in this thesis. (Pride & Ferrell 2010.)

5 Accommodation market in Saint-Petersburg

Saint-Petersburg is rightfully considered to be one of the most beautiful cities in Europe and one which has a special style and unique atmosphere. Tourism is an actively developing area which has a significant impact on many other branches of the city economy. (CISP 2011a.)

In 2005, the government of the city passed a development program for Saint-Petersburg as a tourist centre. The purpose was the development of tourism and an improvement in the tourist infrastructure in Saint-Petersburg. (CISP 2011a.)

The results of the program placed for the hotel infrastructure show the effectiveness of selected forms of support for investment projects. In 2008-2010 the highest rate of commissioning for hotel rooms was recorded in Saint-Petersburg. In 2008, 1,295 rooms were commissioned while in 2009 there were

1,404 rooms, and in 2010 a total of 20 hotels with 1185 rooms. At the beginning of 2011, the total number of hotel rooms in Saint-Petersburg came to 27,083 rooms (631 hotels). By the end of 2011, there were already 686 hotels (33,627 rooms) in Saint-Petersburg. (CISP 2011b.)

It is important to note another positive trend in the hotel market: there is not only a growing number of rooms in the city, but there is also an improvement in the quality of provided services. Over the past few years such large international hotel chains as: Kempinski, Corinthia, ACCOR (with its brands Novotel and IBIS), Rezidor (with its brands Radisson and Park Inn), Sokos Hotel, Marriott (with the Courtyard by Marriott brands and Renaissance), Starwood (with its brand "W") have appeared in the city. In the near future Four Seasons Hotels & Resorts and many other hotel chains will enter the market. (CISP 2011b.)

Mini-hotels are a concept that turned to be prevalent before the tercentennial celebrations of the foundation of Saint-Petersburg in 2003, when it became abundantly clear that there were insufficient number of beds in the city for the increasing number of tourists. Some of the resourceful Russian entrepreneurs started opening up small, family-run hotels, many of which are located in renovated apartments. (Vorhees & Masters 2008.) These type of hotels were rather a good chance to make profit on the lack of centrally located rooms at affordable rates and an appropriate quality.

The majority of the mini-hotels used to be kommunalki, Soviet communal apartments with several families sharing a kitchen and bathroom. Today, these mini-hotels are some of the best-value and most atmospheric accommodation options in the city. (Vorhees & Masters 2008; Charlton 2012.)

Saint-Petersburg offers nearly three hundred mini-hotels of different class and standard. They are business and economy class, family mini-hotels, exclusive mini-hotels, whose level of comfort ability exceeds even five-star hotels. Mini-hotels are spread all around the city, but the main part of them is situated in the center of Saint-Petersburg. (TRAVEL.SPB.RU 2013.)

The number of rooms in a mini-hotel usually does not exceed 30 rooms. But there are some hotels where the number of rooms is more than 100. Prices for accommodation depend on the level of the hotel and quality of its services. Usually prices vary from 500 Rubles (approximately 12 Euros) to 4,000 Rubles (approximately 98 Euros) for a night, including breakfast. The main differences of mini-hotels are the following: they are mainly privately-owned and do not belong to any official hotel rating system. (TRAVEL.SPB.RU 2013.)

The level of mini-hotels' comfort in Saint-Petersburg is equal to big hotels. Rooms contain all necessary equipment: shower, TV, telephone. High-class mini-hotels contain also air conditioner, refrigerator, safe, mini-bar and free Internet access. There are also some extra services in mini-hotels - from laundry to transfer. Nowadays more and more mini-hotels have already restaurants, meeting or conference rooms and other additional services. (TRAVEL.SPB.RU 2013.)

Mini-hotels differ from each other with their design. Usually their interior is very house-like to make guests feel like at home. But there are some mini-hotels made, for example, in original style, retro or Victorian style. To sum up, there are several advantages of mini-hotels, such as good location, cozy and comfortable rooms and low prices. All this makes mini-hotels a worthy competitor to other accommodation facilities. (TRAVEL.SPB.RU 2013.)

6 Introduction of Nevsky Hotel Grand

Nevsky Hotel Grand is a part of the Nevsky Hotels Group which is a well-known chain of mini-hotels in Saint-Petersburg. Nevsky Hotel Grand is located just around the corner from Nevsky Prospect, five minutes from the subway and a ten minutes' walk from the Hermitage Museum, Palace Square and the inspiring Church of the Resurrection on Griboedov Canal. Nevsky Hotel Grand has an ideal location in Saint-Petersburg for city tours and excursions to the city surroundings. (Nevsky Hotels Group 2012.)

Nevsky Hotel Grand occupies seven floors and has a lift for thirteen people. Altogether the hotel has 129 rooms including 117 Standard rooms, seven Superior rooms and five Suites. Maximum bed capacity is 282 beds. The regular rooms offer a choice of double bed or twin beds. Every room has an individual bathroom with shower or bath. Also standard services include Wi-Fi Internet, phone, television, hair-dryer, room safe. There is a parking lot in the courtyard. There is air conditioning in Suites, Superiors and some Standard rooms. Seven Superior rooms are larger than Standard ones and equipped with a queen-size bed and a pull-out sofa. The hotel's five spacious Suites are equipped with a queen-size bed, sauna, Jacuzzi and pull-out sofa. (Nevsky Hotels Group 2012.)

The hotel restaurant, called Cafe Grand, is open from seven o'clock in the morning till 11 o'clock at night. Breakfast is served from seven a.m. till 11a.m. every day. Capacity of the restaurant is 61 seats. Meals are professionally prepared and served. Nevsky Hotel Grand has also a meeting room with capacity for up to 25 people. Suitable for small-scale conferencing, round-table meetings, and training sessions, the room can also be transformed to host banquets. There are additional services which hotel offers for the guests. They are visa support, registration, car hire with or without a driver, transfer to and from the airport or railway station. There is laundry and dry cleaning service, a full selection of cars with drivers, experienced interpreters in any language, booking flight tickets or railway tickets. (Nevsky Hotels Group 2012.)

7 Competitor analysis and social media analysis

Desk study was used as an approach to carry out the research in the empirical part of the thesis. Desk study comprised the analysis of the hotel's competitors and their services. In addition to competitor analysis, social media analysis was carried out in the research. Customers' feedbacks, opinions and posts about the hotel and its services on different social media websites were checked and analyzed.

Competitor analysis was carried out as a part of the research during December 2012. The main purpose of the analysis was to examine the websites of the case hotel and its competitors, in order to compare the services provided in the hotels. On the basis of the comparison, it was possible to conclude what are the existing differences among the offered services, which services can differentiate the Nevsky Hotel Grand from its competitors, what kind of services can be changed or created in order to bring a competitive advantage to the Nevsky Hotel Grand. Therefore, the information about hotels' services provided on their websites was analyzed and compared.

As it was described in the fourth chapter on pages 12 and 13, brand competitors are the most significant ones, because buyers typically see the different products of these companies as direct substitutes for one another. Consequently, six brand competitors of the Nevsky Hotel Grand were chosen to carry out competitor analysis in this thesis. All hotels are from the sector of mini-hotels in Saint-Petersburg and located in the center of Saint-Petersburg. They are the following hotels:

- Dynasty - http://www.eurasia-hotel.ru/dn/en_home
- M-HOTEL - <http://mhotelspb.ru/en/>
- Arkadia - <http://www.arkadiahotel.ru/en/>
- Asteria - <http://www.hotel-asteria.com/hotel/>
- Nevsky Forum - <http://www.nevskyforum.com/en/>
- Cronwell Inn - <http://www.cronwell-inn.ru/>, <http://www.stremyannaya-hotel.ru/en/>

An analysis form was created to present the information found on the hotels' websites. The form and the findings of checking the websites are provided in the appendix 1 of this thesis. Firstly, all the services of the Nevsky Hotel Grand were checked and presented in a table. Secondly, the website of the hotel Dynasty was examined. It was checked, if the hotel Dynasty has services already presented in the table or not. The results were marked in the table. Other services provided by this hotel and not offered by the Nevsky Hotel Grand were added to the table. The same kind of procedure was made concerning the

other competitors. So, all existing services of all compared hotels were gathered in the analysis form.

Social media analysis was carried out as a part of the research during February and March 2013. The main purpose of the analysis was to examine customers' feedbacks, opinions and posts about the Nevsky Hotel Grand and its services.

Social media analysis is the fastest and the most accurate way to find out what customers are saying about the hotel. It can also help to understand how customers view the hotel and its services, what services they are satisfied with and what problems they have with the hotel services. Having this data provides the hotel a competitive advantage by better understanding how its services are perceived and used. (Hamby 2012.)

Another important aim of implementing social media analysis was to find out answers to the question: how to enhance or improve hotel services? There are millions of blogs, tweets, comments, feedbacks etc. containing consumer opinions about services which the hotel can mine to understand issues and problems that consumers experience with its services that can help make them better.

To complete the social media analysis 200 posts, feedbacks and reviews were examined on the following websites:

- <http://hotelspb.ru> - four posts
- <http://www.yell.ru> - three posts
- <http://www.tripadvisor.ru> - 41 posts
- <http://spb.tulp.ru> - three posts
- <http://ru.hotels.com> - nine posts
- <http://www.otzyv.ru> - four posts
- <http://www.tophotels.ru> - three posts
- <http://hon.ru> - 44 posts
- <http://www.booking.com> - 74 posts
- <http://www.expedia.com> - 15 posts

All the analyzed posts were made mainly in two languages: Russian and English. Posts in Russian language were translated by the author of the thesis. Reviews and feedbacks were written by the customers from different countries: Russia, the USA, Canada, Italy, China, Japan, Finland and many other European countries. Most of the reviews were made in 2012. The earliest one was posted on 14th of January 2009. The most recent feedback was made on 27th of February 2013.

Conclusions and recommendations were made based on the findings of the both analyses.

7.1 Introduction of the competitors

Brief descriptions of the competitor hotels are presented below. All competitor hotels are from the sector of mini-hotels in Saint-Petersburg. Moreover, all six hotels are located in the centre of Saint-Petersburg and provide almost the same basic hotel services, such as accommodation, restaurant services, conference facilities, etc. Therefore, these hotels are brand competitors of the Nevsky Hotel Grand. Brand competitors are the most significant ones, because customers could see them as direct substitutes for the Nevsky Hotel Grand.

Dynasty

Hotel Dynasty has opened its doors to the guests in June 2007. It is located in the heart of Saint-Petersburg. It takes just a seven minutes' walk to reach Nevsky Prospect and Dostoevskaya metro station.

There are 62 rooms in this hotel. All rooms are equipped with up-to-date furniture and bathroom appliances. The hotel provides white bathrobes, hairdryers in all rooms and high standards of service. Suites are equipped with air conditioners. Among the other services of the hotel are a small cafe (35 seats) serving buffet breakfast, complimentary Wi-Fi access and concierge services. (Dynasty hotel 2013.)

M-HOTEL

M-HOTEL is situated in the centre of Saint-Petersburg, in close vicinity to the world-famous museums such as the Hermitage, Kazan Cathedral, Church of the Savior on Blood, Russian museum and other places of visit. Metro station — «Nevsky prospect» is just two minutes' walk from the hotel. (M-HOTEL 2013.)

The hotel has seven Single rooms, 40 Standard rooms, 13 Superior rooms, three Suites and one Suite Spa (with sauna and Jacuzzi). In the hotel there is a cafe where guests can have free breakfast and can order room-service. There is also a bar and a conference hall in the hotel. Other services of the hotel are free WI-FI, 24 hour security, elevator. (M-HOTEL 2013.)

The hotel provides a full range of tourist services for the guests including visa support, registration, transfer from the airport or railway station to the hotel and backwards. Guests may also take an advantage of laundry and dry-cleaner's services, rent a car with driver or interpreter, book airplane and train tickets. (M-HOTEL 2013.)

Arkadia

Hotel Arkadia is located right in the historical centre of Saint-Petersburg. Within a five minutes' walk guests can reach St. Isaak's Cathedral, Kazan Cathedral, famous Bronze Horseman Monument, the Hermitage and Nevsky Prospect with its numerous boutiques and restaurants. (Arkadia hotel 2013.)

The hotel provides a complete set of services. All 15 rooms are equipped with individual safes, satellite TV, mini-bars, air conditioning. On the ground floor of the hotel there is a small restaurant. Hotel Arkadia provides guests with the following services: visa support, free Wi-Fi Internet access in every room, fax, copying, printing and secretarial services. There is a free car parking for the guests, 24-hours' concierge service and external video control. (Arkadia hotel 2013.)

Asteria

Asteria hotel is located in the centre of Saint-Petersburg on the Fontanka River embankment just ten minutes' walk from the main historical places and monuments. (Asteria hotel 2013.)

There are six floors and 72 rooms of different categories in the hotel. All rooms are well-equipped and have free Internet access. Over half of the rooms have air-conditioning. Asteria hotel also has an elegant restaurant where the hotel's buffet breakfast is served for all guests, and a conference hall with modern equipment. The hotel also offers a full range of business and concierge services provided by friendly, English-speaking staff. (Asteria hotel 2013.)

Nevsky Forum

Located on the Nevsky Prospect, right next to Mayakovskaya Metro Station, Nevsky Forum Hotel is a modern small hotel located in the very center of Saint-Petersburg. Major visitor attractions including the Hermitage, Russian Museum, and St. Isaac's Cathedral are a long walk down the Nevsky Prospect or a quick ride by bus or metro from the hotel, and Moscow railway station is only five minutes' walk from the hotel. (Nevsky Forum 2013.)

The Nevsky Forum has 29 guest rooms. All rooms are fully equipped with all necessary amenities, including complimentary Wi-Fi and LAN Internet, and air-conditioning. In addition, Nevsky Forum has a restaurant and lobby bar, and a conference room for business meetings. A full range of concierge and business services are also available. (Nevsky Forum 2013.)

Cronwell Inn

Cronwell Inn hotel is located in the historic center of Saint-Petersburg in just three minutes' walk from the Nevsky Prospect, Moscow railway station, Mayakovskaya metro station, 15 minutes from main city attractions and only in 30 minutes by car from Pulkovo airport. (Cronwell Inn 2013.)

The hotel has got 49 rooms, each one is equipped with modern facilities and has a nice view either to Stremyannaya street or hotel courtyard. There are three categories of the rooms in the hotel: Standard (21 rooms), Comfort (18 rooms), Superior (10 rooms). Each hotel room offers its guests the following services: free Internet access, air conditioning, hair dryer, safe, TV, telephone with free city calls, heater, bath or shower. The room rate includes buffet breakfast and five o'clock English tea. Other hotel services include meeting room for 20 people, concierge services, ATM, baby cot on request, mail delivery and fax messages to the room. (Cronwell Inn 2013.)

7.2 Findings of the competitor analysis

Findings of the competitor analysis are presented below.

Location

First of all, location of the hotels was analyzed. All hotels are located in the center of Saint-Petersburg near the Nevsky Prospect and all the main attractions of the city. Metro stations and railway station are also situated not far from the hotels. The time required to get to the nearest metro station, attractions and railway station may differ only by a few minutes.

Size of the hotels

Next service which was compared is the size of the hotel or quantity of rooms. Nevsky Hotel Grand has 129 rooms, it is the biggest number of rooms among the compared hotels. Maximum bed capacity is 282 beds. Nevsky Hotel Grand can accommodate more guests at the same time and can be a more advantageous option of choosing accommodation for big groups of tourists.

Similar services in all hotels

There are several very important and valuable services which exist in every compared hotel. They include:

- Breakfast (included in the room price)
- Sightseeing tours

- Laundry service
- Car hire
- 24-hours' Reception
- Free Internet Access
- Visa support
- Transfer (extra charge)
- There is a choice of Twin or Double beds in the rooms
- There is a choice of Bath or Shower in the rooms
- Hairdryer in every room
- Shower sets in every room
- Concierge service (guests can book tickets to the theatre, railway tickets, etc.)

Conference facilities

Every compared hotel, except hotel Arkadia, provides its guests with the conference and meeting services. Hotel Asteria has the biggest meeting room among others. If comparing the size of the meeting rooms, Nevsky Hotel Grand is on the third place and has a meeting room for 25 persons.

Restaurant facilities

The following service which was analyzed, is the availability of a restaurant or a bar in the hotel. There is a restaurant in every compared hotel. Number of seats in the restaurants of M-Hotel, Arkadia and Asteria hotels were not mentioned on the websites. The biggest restaurants among other hotels are in the Nevsky Forum hotel and in the Nevsky Hotel Grand. Nevsky Hotel Grand is on the second place, if comparing the number of seats in the restaurant. It is possible to serve 61 guests in the restaurant. The restaurant of the Nevsky Forum is on the first place and has 65 seats. In relation to the number of rooms in the Nevsky Hotel Grand (129), the number of seats is not enough to provide efficient service during the breakfast. Nevsky Forum has 29 rooms and a restaurant for 65 persons. There are 49 rooms and 50 seats in the restaurant in Cronwell Inn. Dynasty hotel provides 62 rooms and 35 seats in the restaurant.

Comparing to the Nevsky Forum and Cronwell Inn hotels, insufficient number of seats in the restaurant is a weakness of the Nevsky Hotel Grand.

Extra bed

Another service provided to the guests on their request in every hotel is extra bed. Price of this service is different. The cheapest price (600 Rubles or approximately 15 Euros) is offered to the customers in the hotel Dynasty. Arkadia hotel offers the second cheapest price (750 Rubles or approximately 18 Euros) for the extra bed but only for Superior rooms, price of the service for Comfort and Comfort Plus rooms is 950 Rubles (approximately 23 Euros). Nevsky Hotel Grand is on the third place and the price of the service is 800 Rubles (approximately 20 Euros).

Room categories

The next important thing which was checked and analyzed is room categories. Every hotel has a choice of different room categories. So the guests are able to choose a suitable room category according to their preferences.

- Nevsky Hotel Grand - Standard, Superior, Suite, Deluxe
- Dynasty - Econom, Standard, Junior Suite, Suite, Apartments
- M-Hotel - Standard Superior, Suites, Suite Spa
- Arkadia - Standard, Superior, Comfort, Comfort Plus
- Asteria - Standard, Comfort, Suite, Deluxe
- Nevsky Forum - Classic, Deluxe, Designer, Suite
- Cronwell - Standard, Comfort, Superior

Payment methods

The next service which was analyzed is the variety of available payment methods. The largest number of various ways of payment was found on the web pages of the Nevsky Hotel Grand. When paying for the booked services, customers could use the following payment methods:

- cash

- credit card (Visa, MC, Maestro Diners Club)
- on-line
- bank transfer

In the hotels Dynasty and Cronwell Inn customers can pay for the services by cash or credit card. Accepted types of credit cards were not mentioned on the hotels' websites. M-Hotel accepts payments by cash, credit card (Visa, MC, Maestro) and on-line payments. Guests of the hotels Arkadia, Asteria and Nevsky Forum can pay for the services by cash, credit card (Visa, MC, Maestro, Diners Club).

Luggage room

Luggage room is the next service which was analyzed. Nevsky Hotel Grand provides this service as well as three other competitor hotels. They are Dynasty, Arkadia and Nevsky Forum hotel. M-Hotel, Asteria and Cronwell Inn do not have luggage room.

Car parking

Car parking service is offered in the Nevsky Hotel Grand, Nevsky Forum, Cronwell Inn and Arkadia hotels. Other three hotels (Dynasty, M-Hotel, Asteria) do not provide car parking for their customers.

Room amenities

Bathrobes are available for the guests in every room only in the Nevsky Forum hotel and in the hotel Dynasty. Cronwell Inn hotel does not offer this service. In other hotels bathrobes are available only in some categories of rooms. They are Suites and Deluxe rooms in the Nevsky Hotel Grand; Superiors and Suites in M-Hotel; Comfort and Comfort Plus rooms in the hotel Arkadia and Comfort, Suite, Deluxe rooms in Asteria hotel.

Slippers are available for the guests in every room only in the Nevsky Forum hotel. Hotels Dynasty and Cronwell Inn do not offer this service. In other hotels slippers are available only in some categories of rooms. They are Suites and

Deluxe rooms in the Nevsky Hotel Grand; Superiors and Suites in M-Hotel; Comfort and Comfort Plus rooms in the hotel Arkadia and Comfort, Suite, Deluxe rooms in Asteria hotel.

Refrigerator or mini-bar is available for the guests almost in every compared hotel except Cronwell Inn. Hotels Dynasty, M-Hotel, Arkadia, Asteria and Nevsky Forum have mini-bar or refrigerator in every room. In the Nevsky Hotel Grand mini-bar is available only in Suites and Deluxe rooms.

Safe in the room is available in every hotel except Asteria. In M-Hotel there is a safe only in Superiors and Suites. In other hotels this service is provided for the guests in every room.

There is air conditioning in the rooms in all the hotels. In the hotel Dynasty this service is provided only in Junior Suites and Suites. In the hotel Asteria there is air conditioning only in some rooms of every room type. Air conditioning in the public areas is also provided in every hotel except Dynasty and M-Hotel.

Differences in the services

Only Cronwell Inn hotel provides its guests with 5 o'clock English tea and it is included in the room rate.

Security services are offered in the Nevsky Hotel Grand and two competitors (M-Hotel, Nevsky Forum). Other hotels do not provide such service.

Room service is offered in every hotel except Cronwell Inn.

There is a lift only in three compared hotels. They are Nevsky Hotel Grand, M-hotel and Cronwell Inn.

Another service which was checked is availability of sauna and Jacuzzi. Only two hotels (Dynasty and Cronwell) do not provide such services. In most of the hotels these services are available only in some room categories. Nevsky Hotel Grand has sauna and Jacuzzi in Suites. M-hotel - in Suite Spa, Nevsky Forum - in Suites. Asteria has only Jacuzzi in Suite and Deluxe rooms. And only Arkadia hotel has sauna in the hotel with a small swimming pool.

Services available in competitor hotels

There is a number of services which are not offered in the Nevsky Hotel Grand but are available for the guests in competitor hotels.

- Tea set in the room (kettle, cups, tea, sugar) is provided to the guests in M-Hotel, Arkadia and in apartments of the hotel Dynasty.
- Nevsky Forum hotel provides its guests with the bottle of mineral water in the room.
- The hotel Dynasty has the following additional services: guest umbrellas, audio guide about Saint-Petersburg, mini-Library.
- Baby cot can be provided to the guests in Dynasty, Arkadia, Asteria and Cronwell Inn.
- Cronwell Inn and Arkadia hotels have ATM in the lobby.
- In the apartments of Dynasty hotel there is a kitchen equipped with refrigerator, microwave and kettle.

7.3 Findings of the social media analysis

The following findings were made based on the social media analysis:

Location

One of the hotel's major pluses is the location. 122 guests mentioned in their feedbacks that Nevsky Hotel Grand has a very good location. Below are some examples how customers describe the hotel's location:

The location of the hotel was one of the reasons we decided to try it and it could not be more central (TripAdvisor.ru 2013).

The hotel is situated right at Nevsky Prospect in the heart of the city with many of the major tourists sites in walking distance (Booking.com 2013).

Location of the hotel is perfect to explore the city (Booking.com 2013).

The biggest plus with this hotel is the location. Nevsky Prospect is only 2 minutes walk from here. Metro is about 10 minutes walk away (Booking.com 2013).

What is great about this hotel is its location. Just some minutes walking you can reach Hermitage, the Kazan Cathedral and the Church of Spilled Blood, also the great shop Tsum is right across the street (Booking.com 2013).

The main selling point about this hotel is the LOCATION. You cannot beat it, for tourist sightseeing. Most of the major sights are just short walks away... which means you can save money on transportation (Booking.com 2013).

As for the hotel, we chose it mostly because of the perfect location - which is really true: couple of minutes to the main sightseeing, close to the metro station and bus stop and a lot of nice cafes and bars in the neighborhood (TripAdvisor.ru 2013).

Just off Nevsky Prospect, virtually around the corner from the Church of the Spilled Blood and around 5 minutes from Palace Square, this hotel's location is its calling card (TripAdvisor.ru 2013).

Still, location is one of the best in town. Whole downtown is in walking distance, lots of places to eat, drink, go out, walk...excellent transportation options (TripAdvisor.ru 2013).

The location of this hotel is genuinely great!!!! It is in the middle of everything and in that sense you cannot get better (Booking.com 2013).

I really like this hotel because of its excellent location and I have been a frequent guest for several years (Booking.com 2013).

Breakfast

According to the analysis breakfast is another service most frequently mentioned by the hotel's guests as a good service. 82 customers were satisfied with the breakfast and described it in their reviews. Below are some of the guests' feedbacks:

Breakfast was very good with a good choice of foods, teas and coffee, juices etc (TripAdvisor.ru 2013).

The breakfast was probably the best we had in Russia, and was included in the room price (Booking.com 2013).

Nice Russian-style breakfast with porridge and pancakes and cottage cheese - we were always full after it for half of the day (TripAdvisor.ru 2013).

Very good breakfast with a wide choice of dishes and helpful staff also deserve for a positive evaluation (TripAdvisor.ru 2013).

Breakfast was generous and varied, with fresh fruit, yoghurt, pastries, cakes, plus hams, cheeses and hot foods (TripAdvisor.ru 2013).

The breakfast was plentiful and whilst some of it was not to our British tastes, we always found enough to give us a good start to the day - juices, fruit, porridge, toast, beans, pancakes and even pizza one day! (Booking.com 2013.)

The breakfast was very good, offering a good variety of foods to suit everyone (Booking.com 2013).

A breakfast buffet was included in the room rate and was an average offering of hot and cold dishes & beverages, sufficient to get you ready for a day of sightseeing (TripAdvisor.ru 2013).

The breakfast buffet has a lot of different options and is delicious (TripAdvisor.ru 2013).

But at the same time there were several negative opinions and suggestions for improvement:

If you want to have a lot of choice for breakfast you should go early, after 9 some things are over and they are not replaced (TripAdvisor.ru 2013).

Breakfast was not bad but not too many choices to make, same menu repeated daily (Booking.com 2013).

The breakfast room was a disaster zone. There was never enough food - of the food that was there it was dull and tasteless. (Booking.com 2013.)

The breakfast room was crowded the first morning we were there. No coffee, No orange juice. The food was awful. I had a couple of boiled potatoes with some sort of grass looking stuff on them. Not nice. (TripAdvisor.ru 2013.)

The restaurant food was good but hours were limited. I had to rush my meal as they wanted to close. Better hours would be appreciated. (Booking.com 2013.)

The breakfast was poor for us because most of the stuff at breakfast (omelets, sausages, salami etc.) was made of pork meat. I have a suggestion to the hotel management. I could only eat cheese at breakfast because I do not eat pork meat. They must think in general customer satisfaction and prepare the breakfast according to all customer's habits. For example instead of omelet with bacon, they must prepare omelet with cheese. Salami or sausages made of turkey for example. Everybody eats cheese but not everybody eats pork meat. If you are an international minded hotel you must think such small differentiations. (Booking.com 2013.)

Based on these feedbacks it is possible to make a suggestion to the management of the hotel to think about breakfast hours, the menu and service during the breakfast.

Restaurant

Besides comments about the breakfast, many words were said about the restaurant and its service. Many guests were satisfied with the customer service in the restaurant and found it excellent, professional and friendly. Good quality of the food, live music and pleasant atmosphere left a favorable impression on the guests. Some of the guests highly recommended the restaurant for dinner.

We liked the restaurant "Grand Café", a cozy atmosphere, fine dining, great music (Booking.com 2013).

Wonderful cuisine in the restaurant (TripAdvisor.ru 2013).

I want to thank the staff of the restaurant for the excellent customer service (Hotelspb.ru 2013).

Within a few days stay in the hotel we were always happy to visit the restaurant. Quality cuisine, professional and friendly service, pleasant atmosphere and live music left the most favorable impression. (TripAdvisor.ru 2013.)

We had a dinner in the hotel restaurant. Good service, very good food, dinner was very nice. (Booking.com 2013.)

The restaurant serves wonderful food. I highly recommend it for dinner. (Hotelspb.ru 2013.)

Car parking

Next service which was mentioned in customers' reviews was car parking. Two guests wrote that there is car parking available for the hotel guests and it is possible to park a car for free overnight.

Internet access

Wi-Fi is considered to be a very important service provided in the hotel as 15 guests said something about the Internet in their feedbacks. Customers were satisfied that there is Wi-Fi connection in the rooms and they could use it free of charge. There was even one guest who wrote that availability of this service in the hotel plays a significant role when he chooses a hotel.

In addition to the wireless Internet there is a public computer available for the guests free of charge on the third floor. A few guests talked about this service in their reviews which means it can be also of importance for potential customers, and it is worth mentioning about the availability of this service on the hotel's website. It is possible to guess that if guests are staying on the other floors, they could not know that such service can be used for free. Below are presented a few words about the service:

There was a public computer right outside my room which was very handy (Booking.com 2013).

There was a public computer on the third floor which was free almost all the time (Hotelspb.ru 2013).

Drinking water, baby cot, iron and ironing board

According to the social media analysis there are several other services which are not listed on the website but offered in the hotel. They include drinking water available in coolers on each floor, iron with ironing board and baby cot which can be provided on request free of charge. If baby cot and iron were mentioned only once, free drinking water was told about in 16 reviews. To make a conclusion this service is seen as very useful by many guests:

Hot-Normal-Cold water dispensing machine available on the floor (Hotelspb.ru 2013).

There's a water cooler on every floor (Tophotels.ru 2013).

It was no drinking water in room, but I found a water dispenser on the corridor, which was always full (TripAdvisor.ru 2013).

There was a fountain with filtered water hot or iced on our floor which was very convenient indeed, we were always able to refresh ourselves whether with a hot drink or nice iced water (Tophotels.ru 2013).

The water coolers on each floor were also very welcome (Hotelspb.ru 2013).

It would be useful to have a notice in the reception explaining that there were water machines on some of the floors that dispensed hot or cold bottled water (Booking.com 2013).

Free water is great (Booking.com 2013)!

Free drinking water available on each floor so you can refill your bottle and save money (TripAdvisor.ru 2013).

Concierge services

Some of the guests found very useful concierge services and wrote about the service in their feedbacks:

We took a taxi, booked through the hotel to the airport, and it's a set charge of 1200 RUB (Booking.com 2013).

Ask them for a taxi cab to the airport and you get a fixed price of 1200 rubles. Taxi drivers on the street will ask more! (TripAdvisor.ru 2013.)

Taxi booked to pick us up was on time and same price as on street (Hotelspb.ru 2013).

They will arrange for airport transport if requested (for a per person charge) (Booking.com 2013).

Room services

The following services available in the rooms were mentioned in the guests' reviews: Jacuzzi (in Suites, Deluxe rooms), safe, air conditioner, kettle and tea set (in Suites, Deluxe rooms), mini-bar (in Suites, Deluxe rooms), bathrobes and slippers (in Suites, Deluxe rooms), shower sets.

Some opinions of the guests about equipment in the bathroom are presented below:

The room even had a Jacuzzi, perfect to relax from the freezing temperatures outside (TripAdvisor.ru 2013).

Jacuzzi in the room (Hotelspb.ru 2013)!

Bathroom had a Jacuzzi (TripAdvisor.ru 2013).

Jacuzzi in the room (Tophotels.ru 2013)!

The unit does include a sauna which is wonderful in the winter (Booking.com 2013).

Sauna is available in the room (TripAdvisor.ru 2013).

Bathrobes and slippers were in the cupboard (Booking.com 2013).

Shampoo, shower gel, caps, were present in large quantities and updated every morning (TripAdvisor.ru 2013).

Shampoo, shower gel, etc. are available (Booking.com 2013).

There are shower sets in the room (Booking.com 2013).

Toiletries are provided (TripAdvisor.ru 2013).

Room equipment was also frequently mentioned in the posts:

Safety box in the room (TripAdvisor.ru 2013).

Room equipped with a safe (Booking.com 2013).

Room equipped with air conditioning (TripAdvisor.ru 2013).

The room had AC (TripAdvisor.ru 2013).

Air con was good in our room (Booking.com 2013).

There are ACs on windows (TripAdvisor.ru 2013).

Rooms are surprisingly big and have everything including air conditioner (Booking.com 2013).

There are kettle and tea set in the room, everything was updated every day (Booking.com 2013).

The fridge was very useful where we kept fruits and snacks (TripAdvisor.ru 2013).

Unfortunately, negative opinions concerning the services available in the rooms were expressed as well. Services which guests would like to see in all rooms include bathrobes, slippers, kettle, extra blankets and pillows. 17 customers told that it would be nice to have a mini-bar or refrigerator in every room:

There is No mini-bar in the room (Booking.com 2013).

No mini refrigerator (this surprised me a lot) (Booking.com 2013).

There is not even a fridge in the room for drinks (Tophotels.ru 2013).

No refrigerator in the room (Hotelspb.ru 2013).

No refrigerator (TripAdvisor.ru 2013).

Also, for the summer, it would be nice if there was a refrigerator in the room (TripAdvisor.ru 2013).

Luggage room, security services and conference facilities

Among other services mentioned by hotel's guests are luggage room, security service and conference facilities. Customers found these services very significant and valuable when they are choosing a hotel.

There is a free luggage room in the hotel, if you came earlier than check-in time (before 14 p.m.). If your train is in the evening and check-out time is 12 in the noon, it is very convenient and you can also put luggage in the luggage room. (Booking.com 2013.)

We arrived early in the morning and luggage room was very useful (TripAdvisor.ru 2013).

We are very thankful to the security guards of the hotel for a good service. They are very attentive and helpful. (Tophotels.ru 2013.)

Thank you for the quality service! Service is outstanding. We conducted a conference and appreciate all staff members for the help. (TripAdvisor.ru 2013.)

Many guests described the hotel and its services in common, not mentioning any specific services. Most of the reviews were positive. Below is one example:

As a regular visitor to SPB, I have stayed in quite a few places. This is the best value of all. (Booking.com 2013.)

Nevertheless some guests wrote that the hotel does not offer many facilities (pool, gym, etc.).

8 Conclusions and recommendations

The purpose of the thesis was to find out what hotel services could bring competitive advantage to the Nevsky Hotel Grand and differentiate it from the competitors. What could be improved in the services of the hotel or which kind of services could be created in the hotel in order to attract more customers and be competitive on the market.

In order to reach the goal of the thesis, the analysis of hotel's competitors and the social media analysis were carried out. Based on the both analyses, several conclusions can be outlined.

As it was mentioned in chapter 3.2 on page 12, the attributes used to differentiate the company from the competitors must be important to the customers. Based on the social media analysis, such important features and the biggest advantages of the Nevsky Hotel Grand are location and breakfast. Most of the customers described their positive opinions about these services in reviews found on different social media websites. Since all the competitor hotels also have good location in the centre of the city, Nevsky Hotel Grand should pay more attention to the other pluses and try to improve them according to the guests' wishes.

As it was presented on page 12, service innovations and superior service are two ways to achieve differentiation. Both of these ways could be implemented concerning the breakfast. Plentiful and well served breakfast could be a hotel's competitive advantage. Customers told in their feedbacks that it was the best breakfast they had in Russia, it had a Russian style, it was delicious and generous with wide choice of dishes. Some customers wrote that breakfast offered a good variety of hot and cold dishes and beverages. Helpful staff was also positively evaluated. These feedbacks already show a good level of the offered service, but the hotel could make it even better. Attention has to be paid to some negative issues about breakfast mentioned in customers' feedbacks and presented in the eighth chapter of this thesis. Special attention should be paid to the breakfast menu. Some customers were not satisfied with the same

menu repeated daily. Moreover, some of the customers expressed the opinion that the breakfast was poor because most of the dishes were made of pork. Customers could have various reasons not to eat pork and the hotel should think about all possible customers' habits and their satisfaction.

Other problems which guests face during the breakfast are not enough seats and food for everyone. In relation to the number of rooms in Nevsky Hotel Grand (129), number of seats in the restaurant (61) is not enough to provide efficient service during the breakfast. It is difficult to find a solution to the problem of overcrowded breakfast room, because there are no possibilities to make the restaurant bigger or to use other space in the hotel to serve breakfast. Recommendations for solving these problems can be to have control over the buffet table and replace all the dishes on time as quickly as possible. At the same time personnel of the restaurant has to work more efficiently and try to clean tables faster. In order to make the breakfast a competitive advantage of the hotel it is necessary to maintain the same level of service and try to make it better according to the customers' opinions.

Restaurant of the hotel could also become a competitive advantage and differentiate it from the competitors. According to the social media analysis, many guests find the restaurant as a great place to have dinner with quality cuisine, professional and friendly customer service, live music in pleasant atmosphere. In order to attract more customers and differentiate the service, management could add something special and make the service different from the competitors. For instance, dinner in traditional Russian style can be offered to the guests of the hotel. It could include menu consisting of the dishes of Russian cuisine and some kind of small performance in Russian traditions. Of course, this restaurant offer should be advertised on the website as well as in the hotel itself.

According to the competitor analysis, there is a number of services which are not offered in the Nevsky Hotel Grand, but are available for the guests in competitor hotels. Tea set in the room (kettle, cups, tea, sugar) is provided to the guests in M-Hotel, Arkadia and in apartments of the hotel Dynasty. The

service was not found on the website of the Nevsky Hotel Grand, but this service was mentioned by some guests in their reviews. This means, tea set is provided to the guests in Suites and Deluxe rooms and it should be mentioned on the hotel's website, for instance, in the room description. Baby cot, iron and ironing board are other important services, which are provided in the Nevsky Hotel Grand according to the customers' reviews, but not mentioned on the website of the hotel. Missing information about existing services on the website can lead to the fact that the hotel will lose potential customers. That is why the hotel management has to pay more attention to this issue.

Nevsky Forum hotel provides its guests with the bottle of mineral water in the room. This is the only hotel which has such kind of service and it can be a strong point for the potential customers. According to the social media analysis Nevsky Hotel Grand provides drinking water in coolers on each floor and customers can use it free of charge. A lot of customers were satisfied with this service and mentioned it in their feedbacks, said that it is very useful and convenient for the guests. Unfortunately this service was not mentioned on the hotel's website, so potential customers do not know about availability of such service in the hotel.

Technology is another way to achieve differentiation which was mentioned on page 12 in the chapter 3.2. In the world of modern technology free Internet is considered to be one of the most important services which must be provided in the hotel. Based on the social media analysis, it is possible to make the same conclusion, as many of the customers told about importance of availability of this service when they choose a hotel. Additionally to free Wi-Fi, which is mentioned on the website, Nevsky Hotel Grand has a public computer on the third floor and all the customers can use it free of charge. Information about such service should be available for the potential guests on the hotel's website. Some of the customers come to visit Saint-Petersburg only for some days and may not bring their own computers. That is why such kind of service can be a competitive advantage for the hotel.

According to the competitor analysis, payment methods and availability of the lift in the hotel are two competitive advantages of the Nevsky Hotel Grand. Comparing to the other competitor hotels, payment methods in the Nevsky Hotel Grand are more diversified. Moreover, guests can find detailed descriptions of the payment methods on the hotel's website. It is more convenient for the customers to have all necessary information provided on the website. So, they do not need to write to the hotel and ask for the needed information. Competitor hotels do not provide so detailed information on their websites.

Lift is also a big advantage of the Nevsky Hotel Grand. Only two out of six competitor hotels provide this service. Even though the availability of lift is mentioned on the website of the Nevsky Hotel Grand, more focus has to be made on this service. Availability of lift in the hotel is important for the families travelling with babies. It is more comfortable for them to move around with the baby buggy. Hence, Nevsky Hotel Grand has to be advertised as a family-friendly hotel.

Findings of the social media analysis showed that some of the customers found very useful and important the availability of security services and luggage room in the hotel. Guests often arrive at the hotel before the check-in hours and their departure time is later than check-out time. Because of these reasons luggage room is considered to be a service of great importance for the guests. It is more convenient for them to leave the luggage in the hotel and know that it will remain safe. The same issue of safety applies to the security services. Many people feel unsafe in unknown places and availability of security services in the hotel can influence their decision when choosing a hotel.

Based on the competitor analysis, several services which exist in competitor hotels and can be interesting for the guests of the Nevsky Hotel Grand were found. The hotel Dynasty provides guest umbrellas, audio guide about Saint-Petersburg, mini-library. Cronwell Inn and Arkadia hotels have ATM in the lobby. Further investigation should be made on these questions, but mentioned services can be possible options of new services.

According to the social media analysis, options of new services which hotel guests would like to see in the Nevsky Hotel Grand are: bathrobes, slippers, kettle, extra blankets and pillows in every room. Some guests wrote that the hotel does not offer many facilities (pool, gym, etc.). Many words were said about the lack of mini-bar or refrigerator in all rooms. It is especially important for many guests in summer time or high season for the hotels in Saint-Petersburg. Management of the Nevsky Hotel Grand has to satisfy customer needs and invest in mini-refrigerators.

Nevsky Hotel Grand has a big potential to become one of the best mini-hotels in the centre of Saint-Petersburg. It has all the opportunities to implement necessary changes and improve existing services. It also has very good chances to create new services which bring additional competitive advantages for the hotel. This thesis work can be a good start for further investigation about the services offered in Nevsky Hotel Grand.

9 Evaluation of the research

The presented research was a useful and interesting experience for the author. Received knowledge can be effectively used in the future work of the author in the hotel industry. In the process of assessing the aims of this thesis, it became possible to get acquainted with the ways to achieve competitive advantage in the hotel. Important skills of pointing out the most valuable and applicable information were acquired during the completing of research process.

Social media analysis of the competitor hotels could be conducted in order to make more accurate conclusions. In order to get more findings about opinions of the guests, quantitative research could be done by distributing of questionnaire forms in the hotel. Another option to continue the research could be organizing face-to-face interviews with the customers in the hotel.

Nevertheless, the biggest challenge in the research was to find out reliable, most valuable, valid and applicable information to achieve the aims of the research and support the presented theoretical material. However, the author

hopes that management of the Nevsky Hotel Grand could benefit from the recommendations based on the findings of this research.

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Appendix 1

Competitor analysis form

Services	Nevsky Hotel Grand	Dynasty	M-Hotel	Arkadia	Asteria	Nevsky Forum	Cronwell Inn
Location (closeness to the railway station, main attractions , metro)	2 min walk from Nevsky Prospect, 5 min walk from the metro "Nevsky Prospect" , 7 min walk to the main attraction s, 5-10 min drive to the railway station	7 min walk from Nevsky Prospect, 5 min walk to the metro " Dostoevskaya", 5 min drive to the railway station, 5-10 min drive to the main attractions	2 min walk from Nevsky Prospect, 3 min walk from the metro "Nevsky Prospect", 7-10 min walk to the main attraction s, 5-10 min drive to the railway station	10-15 min walk from Nevsky Prospect, 5 min walk from the metro "Sennaya Ploschad" , 7 min walk to the main attraction s, 10 min drive to the railway station	7 min walk from Nevsky Prospect, 7 min walk from the metro "Sennaya Ploschad" , 10 min walk to the main attraction s, 5 min drive to the railway station	On the Nevsky Prospect, 1-2 min walk from the metro "Mayakovskaya", 15-20 min walk to the main attractions, 5 min walk to the railway station	3 min walk to the Nevsky Prospect, 3 min walk from the metro "Mayakovskaya", 15-20 min walk to the main attractions, 5 min walk to the railway station
Size of the hotel (number of rooms)	129	62	64	15	72	29	49
Breakfast included in the room rate	x	x	x	x	x	X	x
5 o'clock English tea included in	-	-	-	-	-	-	x

the room rate							
Sightseeing tours	X	x	x	X	x	X	x
Laundry service	X	x	x	x	x	X	X
Car hire	X	x	x	X	x	X	X
24-hours' Reception	x	x	X	X	x	X	X
Free Internet Access	x	x	X	x	x	X	x
Security service	x	-	X	-	-	X	-
Air conditioning in the public areas	x	-	-	x	x	X	X
Air conditioning in the rooms	x	In Junior Suites, Suites	x	x	Some Standard s, Comfort, Suite, Deluxe	X	X
Lift	13 persons	-	X	-	-	-	x
Sauna, Jacuzzi	Sauna and Jacuzzi in Suites	-	In Suite Spa	Sauna in the hotel with small swimming pool	Jacuzzi in Suite, Deluxe	Sauna and Jacuzzi in Suites	-

Meeting room	25 persons	15	50	-	70	Meetings can be organized in the restaurant	20
Restaurant (Bar)	61 persons	35	x	x	x	65	50
Visa support	x	X	X	X	x	X	x
Transfer (extra charge)	x	x	X	X	x	X	X
Extra beds	Pull-out sofa 800 Rub	600 Rub	1200 Rub	750 (Superior) -950 (Comfort, Comfort Plus) Rub	1100 Rub	1500 Rub	x
Twin/Double beds	x	x	x	x	x	X	x
Bath/Shower	x	x	x	x	x	X	x
Hairdryer	x	x	x	x	x	X	x
Shower sets	x	x	x	x	x	X	x
Room categories	Standard, Superior, Suite, Deluxe	Econom, Standard, Junior Suite, Suite, Apartments	Standard Superior, Suites, Suite Spa	Standard, Superior, Comfort, Comfort Plus	Standard, Comfort, Suite, Deluxe	Classic, Deluxe, Designer, Suite	Standard, Comfort, Superior
Room service	x	x	x	x	x	X	-
Payment	Cash, credit	Cash, credit	Cash, credit	Cash, credit	Cash, credit	Cash, credit card (Visa, MC,	Cash, credit

methods	card (Visa, MC, Maestro Diners Club), on- line, bank transfer	card	card (Visa, MC, Maestro), on-line	card (Visa, MC, Maestro, Diners Club)	card (Visa, MC, Maestro, Diners Club)	Maestro, Diners Club)	card
Luggage room	x	x	-	x	-	X	-
Concierge service (tickets to the theatre, etc.)	x	x	X	X	x	X	X
Guest umbrellas	-	x	-	-	-	-	-
Baby cot	-	x	-	x	x	-	x
Audio guide about St. Petersburg	-	x	-	-	-	-	-
Mini- Library	-	x	-	-	-	-	-
Bathrobes	In Suites, Deluxe rooms	In every room	In Superior, Suites	In Comfort, Comfort Plus	In Comfort, Suite, Deluxe	X	-
Slippers	In Suites, Deluxe rooms	-	In Superior, Suites	In Comfort, Comfort Plus	In Comfort, Suite, Deluxe	X	-

Refrigerator (mini-bar)	Mini-bar in Suites, Deluxe rooms	Refrigerator in every room	Refrigerator	Mini-bar, mini-refrigerator	In Comfort, Suite, Deluxe	Mini-bar	-
Car parking	x	-	-	x	-	X	x
Safe in the room	x	x	In Superiors, Suites	x	-	X	x
Kitchen: refrigerator, microwave, kettle, tea and coffee	-	In Apartments	-	-	-	-	-
Tea set in the room (kettle, cups, tea, sugar)	-	In Apartments	x	X	-	-	-
ATM	-	-	-	x	-	-	X
Mineral water in the room	-	-	-	-	-	X	-